

# EXHIBIT 4

CLEARY GOTTLIEB

# **SEC Director of Corporation Finance States That Secondary Market Sales of Ether Are Not Securities Transactions Now, but “Something Else”**

*June 18, 2018*

On Thursday, June 14th, the SEC Director of Corporation Finance, William Hinman, stated his view that current secondary market trades of Ether are not now securities transactions as part of a speech on the treatment of digital assets under the securities laws.

While he expressly set aside the question of whether the capital-raising that initially accompanied the sale of Ether in 2014 was a securities offering, he confirmed previous suggestions that Ether is a prime example of a digital asset that may once have been offered as a security, but is now “something else” that is not regulated by the securities laws. While Hinman’s views are not binding on the Commission, his remarks strongly suggest the Commission’s willingness to consider whether certain digital assets that may be initially offered as securities over time can later lose their status as securities—a view that is shared by at least one CFTC commissioner.

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